



Federal Communications Commission
Washington, D.C. 20554

May 27, 2009

DA 09-1154

Small Entity Compliance Guide

Exemption From High Definition Carriage Requirements For Certain Small Systems

FCC No. 08-193
CS Docket No. 98-120

Released September 4, 2008

This Guide is prepared in accordance with the requirements of Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It is intended to help small entities—small businesses, small organizations (non-profits), and small governmental jurisdictions—comply with the new rules adopted in the above-referenced FCC rulemaking docket. This Guide is not intended to replace the rules, which provide the final authority in this context. Although we have attempted to cover all parts of the rules that might be especially important to small entities, the coverage may not be exhaustive. This Guide might not apply in a particular situation based upon the circumstances, and the FCC retains the discretion to adopt approaches on a case-by-case basis that may differ from this Guide. Any decisions regarding a particular small entity will be based on application of the statute and regulations. Interested parties are free to file comments regarding this Guide and its application to a particular situation; the FCC will consider whether the recommendations or interpretations in the Guide are appropriate in that situation. The FCC may revise this Guide without public notice to clarify or update its contents. Direct your comments and recommendations, or calls for further assistance, to the FCC's Consumer Center:

1-888-CALL-FCC (1-888-225-5322)

TTY: 1-888-TELL-FCC (1-888-835-5322)

Fax: 202-418-0232

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Background

On September 4, 2008, the Federal Communications Commission released a Fourth Report and Order in CS Docket No. 98-120. The Docket was established to address the mandatory carriage obligations of cable operators during and after the nationwide transition to digital television (DTV). The Report and Order establishes an exemption from the material degradation requirement to carry high definition (“HD”) broadcast signals on certain small cable systems.

Compliance Requirements

Reliance on the exemption established in the Report and Order is voluntary for operators of small systems who choose not to carry all local HD broadcast signals in HD. In order to qualify, a cable system must have 2,500 or fewer subscribers and not be affiliated with a cable operator serving more than 10% of all multichannel video programming distributor subscribers, or it must have an activated capacity of 552 MHz or less. A system meeting either or both of these criteria may decline to comply with the material degradation obligation to carry the HD version of a broadcast signal.¹ All operators must continue to ensure that every subscriber to a cable system is able to view every must-carry signal, by downconverting it if necessary and carrying it in a format or formats that can be viewed by all subscribers. The Commission will review these material degradation exemptions between February 18, 2011 and February 17, 2012, and they will expire on February 17, 2012 if not renewed.

Internet Link and Citations

Fourth Report and Order, 23 FCC Rcd 13618 (2008); 73 Fed. Reg. 61742 (Oct. 17, 2008); http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-08-193A1.doc

¹ 47 C.F.R. § 76.62(b).